

PROPOSED DECISION

Agenda ID #16809 (Rev. 1)

Ratesetting

9/13/2018 Item #27

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Uniti Leasing X LLC for a Certificate of Public Convenience and Necessity to Provide Limited Facilities-Based and Resold Competitive Local Exchange Telecommunications Service Throughout the Service Territories of AT&T California, Frontier California, Inc., Sure West Communications, and Citizens Telecommunications Company of California.

Application 18-03-006

DECISION GRANTING UNITI LEASING X LLC A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY IN ORDER TO PROVIDE COMPETITIVE LIMITED FACILITIES-BASED AND COMPETITIVE RESOLD LOCAL EXCHANGE AND INTEREXCHANGE SERVICE

Summary

Pursuant to Public Utilities Code Section 1001, we grant Uniti Leasing X LLC a certificate of public convenience and necessity to provide competitive limited facilities-based and competitive resold local exchange and interexchange services in the service territories of AT&T California, Frontier California, Inc., Sure West Communications, and Citizens Telecommunications Company of California subject to the terms and conditions set forth in the Ordering Paragraphs.

This proceeding is closed.

1. Background

On March 1, 2018, Uniti Leasing X LLC (Uniti Leasing), a limited liability company authorized to do business in California, filed an application for a certificate of public convenience and necessity (CPCN) to provide (a) competitive limited facilities-based and competitive resold local exchange services in the territories currently served by AT&T California (AT&T), Frontier California, Inc. (Frontier) (including the former Verizon California, Inc. territory), Citizens Telecommunications Company of California d/b/a Frontier Communications of California (Frontier Communications), and Consolidated Communications of California Company (formerly SureWest Telephone Company), and (b) limited facilities-based and resold interexchange services as a non-dominant interexchange carrier (NDIEC) on a statewide basis.

Uniti Leasing seeks authority to own and operate the fiber network assets that will be transferred from U.S. TelePacific, Mpower Communications Corp., and Arrival Communications, Inc. (collectively, TPx) through a separate Asset Transfer Application. Uniti Leasing's initial service will be to offer dark fiber to TPx, dedicated Internet Access, and colocation. With the CPCN, Uniti Leasing's planned services include private line (lit fiber), Ethernet, Wavelength, and other telecommunications services. The Applicant's lit fiber services will generally be offered over broadband facilities. Uniti Leasing may also offer voice telephone services on a wholesale or retail basis.

No parties protested this application. The Administrative Law Judge (ALJ) assigned to this proceeding held a prehearing conference (PHC) on June 14, 2018. No other parties have joined the proceeding. On July 26, 2018, a Scoping Memo and Ruling was issued. It determined that the matter stood submitted as of the issuance of the Scoping Memo and Ruling.

Uniti Leasing's principal place of business is 10802 Executive Center Drive, Suite 300, Little Rock, AR 72211.

2. Jurisdiction

Public Utilities Code (Pub. Util. Code) § 216(a) defines the term "public utility" to include a "telephone corporation," which in turn is defined in Pub. Util. Code § 234(a) as "every corporation or person owning, controlling, operating, or managing any telephone line for compensation within the state."

Uniti Leasing proposes to own and operate fiber network assets that will be acquired from TPx, as well as to own, control, operate, or manage telephone lines for compensation within California. Uniti Leasing is a telephone corporation and a public utility subject to our jurisdiction.

3. California Environmental Quality Act (CEQA)

Pursuant to the CEQA¹ and Rule 2.4 of the Commission's Rules of Practice and Procedure, the Commission acts as the designated lead agency to consider the environmental consequences of projects that are subject to our approval so that adverse effects are avoided, alternatives are investigated, and environmental quality is restored or enhanced to the fullest extent possible. Since Uniti Leasing states that it does not intend to construct any facilities other than equipment to be installed in existing buildings or structures, it can be seen with certainty that there is no possibility that granting this application will have an adverse impact upon the environment. Before it can construct facilities other than equipment to be installed in existing buildings or structures, Uniti Leasing must file for additional authority, and submit to any necessary CEQA review.

¹ Public Resources Code § 21000 *et seq.*

4. Financial Qualifications

To be granted a CPCN, an applicant for authority to provide competitive resold and competitive limited facilities-based local exchange and interexchange services must demonstrate that it has a minimum of \$100,000 cash or cash equivalent, reasonably liquid and readily available to meet the firm's start-up expenses. An applicant must also demonstrate that it has sufficient additional resources to cover all deposits required by local exchange carriers and/or interexchange carriers in order to provide the proposed service. In the application, Uniti Leasing provides supporting documentation that \$100,000 would be available to Uniti Leasing for one year following certification. Since Uniti Leasing has provided documentation that it possesses a minimum of \$100,000 that is reasonably liquid and available, it has demonstrated that it has sufficient funds to meet its start-up expenses and has fulfilled this requirement. The Applicant's financial documentation will be subject to verification and review by the Commission for one year to ensure that such funds are available.

Uniti Leasing anticipates that no deposit is required by AT&T California, Frontier California, Frontier Communications, and Consolidated Communications. Therefore, no additional resources are required at this time to cover deposits.

5. Technical Qualifications

To be granted a CPCN for authority to provide competitive local exchange and interexchange service, an applicant must make a reasonable showing of managerial and technical expertise in telecommunications or a related business.²

² Decision (D.) 95-12-056 at Appendix C, Rule 4.A.

The Applicant supplies biographical information on its management in Exhibit I to its application that demonstrates it has sufficient expertise and training to operate as a telecommunications provider.

In its application, Uniti Leasing verifies that no one associated with or employed by Uniti Leasing as an affiliate, officer, director, partner, or owner of more than 10 percent of the Applicant has: (a) held one of these positions with a company that filed for bankruptcy; (b) been personally found liable, or held one of these positions with a company that has been found liable, for fraud, dishonesty, failure to disclose, or misrepresentations to consumers or others; (c) been convicted of a felony; (d) been the subject of a criminal referral by judge or public agency; (e) had a telecommunications license or operating authority denied, suspended, revoked, or limited in any jurisdiction; (f) personally entered into a settlement, or held one of these positions with a company that has entered into settlement of criminal or civil claims involving violations of §§ 17000, et seq., §§ 17200, et seq., or §§ 17500, et seq., of the California Business & Professions Code, or of any other statute, regulation, or decisional law relating to fraud, dishonesty, failure to disclose, or misrepresentations to consumers or others; (g) been found to have violated any statute, law, or rule pertaining to public utilities or other regulated industries; (h) entered into any settlement agreements or made any voluntary payments or agreed to any other type of monetary forfeitures in resolution of any action by any regulatory body, agency, or attorney general; or (i) is being, or has been investigated by the Federal

Communications Commission or any law enforcement or regulatory agency for failure to comply with any law, rule or order.³

For the above reasons, we find that the Applicant is in compliance with the requirements of D.13-05-035.

6. Tariffs

The Applicant requests detariffed status and may be exempt from the requirement to file tariffs provided that the Applicant complies with the consumer protection rules identified in D.98-08-031. Applicant must submit proposed tariffs and/or user guides to the Communications Division using the GO 96-B advice letter process to offer the regulated telecommunications services within 12 months from the effective date of the decision.

7. Map of Service Territory

To be granted a CPCN for authority to provide competitive local exchange service, an applicant must provide a map of the service territories it proposes to serve.⁴ In its application, the Applicant provides a map of the location of its proposed service territory, in compliance with this requirement.

8. Expected Customer Base

The Applicant provides that TPx will lease the fiber network from Uniti Leasing subject to the terms of a Master Lease Agreement. As TPx will continue to provide services to its existing customer, there is no transfer of customer base associated with this transaction.

³ These certifications are required by D.13-05-035, Ordering Paragraph 14.

⁴ D.95-12-056 at Appendix C, Rule 4.E.

9. Request for Treatment as a Non-dominant Carrier

The Applicant requests treatment as a non-dominant interexchange carrier, which would include exemption from the requirements of Pub. Util. Code §§ 816-830 concerning stocks and security and § 851 concerning the encumbrance and transfer of utility property. The Commission detailed its rules regarding exemption of non-dominant carriers in D.85-01-008, and subsequently modified in D.85-07-081 and D.85-11-044. We grant the Applicant's request for non-dominant interexchange carrier status, provided that it follows all rules detailed in the above referenced decisions.

10. Safety Considerations

With the adoption of the *Safety Policy Statement of the California Public Utilities Commission* on July 10, 2014, the Commission has, among other things, heightened its focus on the potential safety implications of every proceeding. We have considered the potential safety implications here. We feel satisfied that the Applicant will meet the Commission's minimum safety goals and expectations of competitive local exchange carriers (CLECs) because: (1) the Applicant has taken steps to meet the financial requirements as set forth in this decision for a facilities-based CLEC, and (2) the Applicant is a public utility that is required pursuant to Pub. Util. Code § 451 to "... furnish and maintain such adequate, efficient, just and reasonable service, instrumentalities, equipment, and facilities, including telephone facilities ... as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public."

11. Conclusion

We conclude that the application conforms to our rules for certification as a competitive resold and competitive limited facilities-based local exchange and interexchange carrier. Accordingly, we grant Uniti Leasing a CPCN to provide

competitive limited facilities-based and competitive resold local exchange telecommunications service in the service territories of AT&T, Frontier California, Frontier Communications, and Consolidated and interexchange service in California subject to compliance with the terms and conditions set forth in the Ordering Paragraphs.

The CPCN granted by this decision provides benefits to the Applicant and corresponding obligations. The Applicant receives authority to operate in the prescribed service territory, and this authority enables the Applicant, pursuant to section 251 of the 1934 Communications Act, as amended by the 1996 Telecommunications Act (47 U.S.C. 251), to interconnect with telecommunications carriers.⁵ This authority also enables the Applicant to obtain access to public rights-of-way in California as set forth in D.98-10-058, subject to the CEQA requirements set forth in this decision.

In return, Applicant is obligated to comply with all Public Utilities Code provisions, Commission rules, General Orders, and decisions applicable to telephone corporations providing approved services. The applicable statutes, rules, General Orders, and decisions include, but are not limited to consumer protection rules, tariffing, and reporting requirements. Moreover, the Applicant is obligated to pay all Commission prescribed user fees and public purpose program surcharges as set forth in the Attachment B of this decision, to comply with CEQA, and to adhere to Public Utilities Code § 451 which states that every public utility "...shall furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities, including

⁵ The California Public Utilities Code uses the term "telephone corporation." Its counterpart in federal law is a "telecommunications carrier."

telephone facilities, as defined in § 54.1 of the Civil Code, as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public.”

12. Waiver of Comment Period

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to § 311(g)(2) of the Public Utilities Code and Rule 14.6(c)(2), the otherwise applicable 30-day period for public review and comment is waived.

13. Assignment of Proceeding

Carla J. Peterman is the assigned Commissioner and Debbie Chiv is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. Uniti Leasing is a telephone corporation and a public utility as defined in Pub. Util. Code § 234(a) and § 216(a).
2. Uniti Leasing will not construct any facilities other than equipment to be installed in existing buildings or structures.
3. Uniti Leasing has a minimum of \$100,000 of cash or cash equivalent that is reasonably liquid and readily available to meet its start-up expenses.
4. Uniti Leasing’s management possesses sufficient experience, knowledge, and technical expertise to provide local exchange services to the public.
5. No one associated with or employed by Uniti Leasing as an affiliate, officer, director, partner, agent, or owner of more than 10 percent of Uniti Leasing has: (a) held one of these positions with a company that filed for bankruptcy; (b) been personally found liable, or held one of these positions with a company that has been found liable, for fraud, dishonesty, failure to disclose,

or misrepresentations to consumers or others; (c) been convicted of a felony; (d) been the subject of a criminal referral by judge or public agency; (e) had a telecommunications license or operating authority denied, suspended, revoked, or limited in any jurisdiction; (f) personally entered into a settlement, or held one of these positions with a company that has entered into settlement of criminal or civil claims involving violations of §§ 17000, et seq., §§ 17200, et seq., or §§ 17500, et seq., of the California Business & Professions Code, or of any other statute, regulation, or decisional law relating to fraud, dishonesty, failure to disclose, or misrepresentations to consumers or others; or (g) been found to have violated any statute, law, or rule pertaining to public utilities or other regulated industries; (h) entered into any settlement agreements or made any voluntary payments or agreed to any other type of monetary forfeitures in resolution of any action by any regulatory body, agency, or attorney general.

6. To the best of Uniti Leasing's knowledge, neither Uniti Leasing nor any affiliate, officer, director, partner, or owner of more than 10% of Uniti Leasing, or any person acting in such capacity whether or not formally appointed, is being, or has been investigated by the Federal Communications Commission or any law enforcement or regulatory agency for failure to comply with any law, rule or order.

7. Uniti Leasing requested and is eligible for exemption from tariffing requirements and must observe the consumer protection rules adopted in D.98-08-031. Uniti Leasing must submit proposed tariffs and/or user guides to the Communications Division using the GO 96-B advice letter process to offer the regulated telecommunications services within 12 months from the effective date of the decision.

8. Uniti Leasing provided a map of the location of its proposed service territory.

Conclusions of Law

1. Uniti Leasing should be granted a CPCN to provide competitive resold and competitive limited facilities-based local exchange telecommunications service in the service territories of AT&T, Frontier California, Frontier Communications, Consolidated, and interexchange service in California, subject to the terms and conditions set forth in the Ordering Paragraphs.

2. Uniti Leasing should be granted competitive limited facilities-based authority and may not construct any facilities other than equipment to be installed in existing buildings or structures.

3. Uniti Leasing, once granted a CPCN, should be subject to the applicable Commission rules, decisions, General Orders, and statutes that pertain to California public utilities.

4. Uniti Leasing should be granted an exemption from the requirement to file tariffs. Uniti Leasing must submit proposed tariffs and/or user guides to the Communications Division using the GO 96-B advice letter process to offer the regulated telecommunications services within 12 months from the effective date of the decision.

5. Uniti Leasing should be granted non-dominant carrier status, subject to Commission rules and regulations as detailed in D.85-01-008 and modified in D.85-07-081 and D.85-11-044.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Uniti Leasing X LLC to provide competitive resold and competitive limited facilities-based local exchange telecommunications services in the territories of Pacific Bell Telephone Company d/b/a AT&T California, Frontier California Inc., Citizens Telecommunications Company of California, Inc. d/b/a/ Frontier Communications of California, and Consolidated Communications of California Company, and interexchange service in California, subject to the terms and conditions set forth below.
2. The corporate identification number assigned to Applicant, U-7350-C, must be included in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.
3. Uniti Leasing X LLC must file, in this docket, a written acceptance of the certificate granted in this proceeding within 30 days of the effective date of this decision. Written acceptance filed in this docket does not reopen the proceeding.
4. The certificate granted by this decision will expire if not exercised within 12 months of the effective date of this decision.
5. Uniti Leasing X LLC must notify the Director of the Communications Division in writing of the date that local exchange service is first rendered to the public, no later than five days after service first begins, by e-mail to cdcompliance@cpuc.ca.gov.
6. Uniti Leasing X LLC must obtain a performance bond of at least \$25,000 in accordance with Decision 13-05-035. The performance bond must be a continuous bond (i.e., there is no termination date on the bond) issued by a corporate surety company authorized to transact surety business in California,

and the Commission must be listed as the obligee on the bond. Within five days of acceptance of its certificate of public convenience and necessity authority, the Applicant must submit a Tier-1 advice letter to the Communications Division, containing a copy of the license holder's executed bond, and submit a Tier-1 advice letter annually, but not later than March 31, with a copy of the executed bond.

7. Uniti Leasing X LLC must not allow its performance bond to lapse during any period of its operation. Pursuant to Decision 13-05-035, the Commission may revoke a certificate of public convenience and necessity if a carrier is more than 120 days late in providing the Communications Division a copy of its executed performance bond and the carrier has not been granted an extension of time by the Communications Division.

8. In addition to all the requirements applicable to competitive local exchange carriers and interexchange carriers included in Attachments B, C, and D to this decision, the Applicant is subject to the Consumer Protection Rules contained in General Order 168, and all applicable Commission rules, decisions, General Orders, and statutes that pertain to California public utilities.

9. Uniti Leasing X LLC must pay the public purpose surcharges specified in Attachment B, and the Combined California Public Utilities Commission Telephone Surcharge Transmittal Form must be submitted even if the amount due is \$0.

10. Uniti Leasing X LLC must pay an annual minimum user fee of \$100 or 0.33 percent of gross intrastate revenue, whichever is greater. Under Public Utilities Code Section 405, carriers that are in default of reporting and submitting user fees for a period of 30 days or more will be subject to penalties including suspension or revocation of their authority to operate in California.

11. Prior to initiating service, Uniti Leasing X LLC must provide the Commission's Consumer Affairs Branch with the name(s), address(es), and telephone number(s) of its designated contact person(s) for purposes of resolving consumer complaints. This information must be updated if the name(s), address(es), or telephone number(s) change, or at least annually.

12. Prior to initiating service, Uniti Leasing X LLC must provide the Commission's Communications Division with the name(s), address(es), and telephone number(s) of its designated regulatory/official contact person(s). This information must be provided electronically, using the "Regulatory/Official Contact Information Update Request" found at <http://www.cpuc.ca.gov/communications>. This information must be updated if the name or telephone number changes, or at least annually.

13. Uniti Leasing X LLC must submit an affiliate transaction report to the Director of the Communications Division, by e-mail to cdcompliance@cpuc.ca.gov, in compliance with Decision 93-02-019, on a calendar year basis using the form contained in Attachment D.

14. Uniti Leasing X LLC must submit an annual report to the Director of the Communications Division, by e-mail to cdcompliance@cpuc.ca.gov, in compliance with General Order 104-A, on a calendar-year basis with the information contained in Attachment C to this decision.

15. Uniti Leasing X LLC must not construct any facilities other than equipment installed in existing buildings or structures.

16. Application 18-03-006 is closed.

This order is effective today.

Dated _____, at San Francisco, California.

ATTACHMENT A

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ATTACHMENT B**REQUIREMENTS APPLICABLE TO COMPETITIVE LOCAL EXCHANGE CARRIERS AND INTEREXCHANGE CARRIERS**

1. Applicant must file, in this docket with reference to this decision number,¹ a written acceptance of the certificate granted in this proceeding within 30 days of the effective date of this order.
2. The certificate granted and the authority to render service under the rates, charges, and rules authorized will expire if not exercised within 12 months of the date of this decision.
3. Applicant is subject to the following fees and surcharges that must be regularly remitted. Per the instructions in Exhibit E to Decision (D.) 00-10-028, the Combined California PUC Telephone Surcharge Transmittal Form must be submitted even if the amount due is \$0.
 - a. The Universal Lifeline Telephone Service Trust Administrative Committee Fund (Pub. Util. Code § 879);
 - b. The California Relay Service and Communications Devices Fund (Pub. Util. Code § 2881; D.98-12-073);
 - c. The California High Cost Fund-A (Pub. Util. Code § 739.3; D.96-10-066, at 3-4, App. B, Rule 1.C);
 - d. The California High Cost Fund-B (D.96-10-066, at 191, App. B, Rule 6.F.; D.07-12-054);
 - e. The California Advanced Services Fund (D.07-12-054);
 - f. The California Teleconnect Fund (D.96-10-066, at 88, App. B, Rule 8.G).

¹ Written acceptance filed in this docket does not reopen the proceeding.

- g. The User Fee provided in Pub. Util. Code §§ 431-435. The minimum annual User Fee is \$100, as set forth in D.13-05-035.

Note: These fees change periodically. In compliance with Resolution T-16901, December 2, 2004, Applicant must check the joint tariff for surcharges and fees filed by Pacific Bell Telephone Company (dba AT&T California) and apply the current surcharge and fee amounts in that joint tariff on end-user bills until further revised. Current and historical surcharge rates can be found at

<http://www.cpuc.ca.gov/General.aspx?id=1124>.

- i. Carriers must report and remit CPUC telephone program surcharges online using the CPUC Telecommunications and User Fees Filing System (TUFFS). Information and instructions for online reporting and payment of surcharges are available at <http://www.cpuc.ca.gov/General.aspx?id=1010>. To request a user ID and password for TUFFS online filing and for questions, please e-mail Telco_surcharges@cpuc.ca.gov.
- ii. Carriers must submit and pay the PUC User Fee (see Item 3.g above) upon receiving the User Fee statement sent by the Commission. Instructions for reporting filing are available at <http://www.cpuc.ca.gov/General.aspx?id=1009>. Please call (415) 703-2470 for questions regarding User Fee reporting and payment.

4. If Applicant is a competitive local exchange carrier (CLC), the effectiveness of its future tariffs is subject to the requirements of General Order 96-B and the Telecommunications Industry Rules (D.07-09-019).

5. If Applicant is a non-dominant interexchange carrier (NDIEC), the effectiveness of its future NDIEC tariffs is subject to the requirement of General Order 96-B and the Telecommunications Industry Rules (D.07-09-019).

6. Tariff filings must reflect all fees and surcharges to which Applicant is subject, as reflected in Item 3 above.

7. Applicant must obtain a performance bond of at least \$25,000 in accordance with Decision 13-05-035. The performance bond must be a continuous bond (i.e., there is no termination date on the bond) issued by a corporate surety company authorized to transact surety business in California, and the Commission must be listed as the obligee on the bond. Within five days of acceptance of its certificate of public convenience and necessity authority, Applicant must submit a Tier-1 advice letter to the Director of Communications, containing a copy of the license holder's executed bond, and submit a Tier-1 advice letter annually, but not later than March 31, with a copy of the executed bond.

8. Applicant must not allow its performance bond to lapse during any period of its operation. Pursuant to Decision 13-05-035, the Commission may revoke a certificate of public convenience and necessity if a carrier is more than 120 days late in providing the Director of the Communications Division a copy of its executed performance bond and the carrier has not been granted an extension of time by the Communications Division.

9. Applicants providing local exchange service must submit to the Director of the Communications Division a service area map as part of their initial tariff.

10. Prior to initiating service, Applicant must provide the Commission's Consumer Affairs Branch with the name(s), address(es), and telephone number(s) of its designated contact person(s) for purposes of resolving consumer complaints. This information must be updated if the name(s), address(es), and telephone number(s) change, or at least annually.

11. In addition, Applicant must provide the Commission's Communications Division with the name(s), address(es), and telephone number(s) of its designated regulatory/official contact persons(s). This information must be provided electronically, using the "Regulatory/Official Contact Information Update Request" found at <http://www.cpuc.ca.gov/communications>. This information must be updated if the name(s), address(es), and telephone number(s) change, or at least annually.

12. Applicant must notify the Director of the Communications Division in writing submitted by e-mail to cdcompliance@cpuc.ca.gov, no later than five days after service first begins, of the date that local exchange service is first rendered to the public.

13. Applicant must keep its books and records in accordance with the Generally Accepted Accounting Principles.

14. In the event Applicant's books and records are required for inspection by the Commission or its staff, it must either produce such records at the Commission's offices or reimburse the Commission for the reasonable costs incurred in having Commission staff travel to its office.

15. Applicant must submit an annual report to the Director of the Communications Division at cdcompliance@cpuc.ca.gov, in compliance with GO 104-A, on a calendar-year basis with the information contained in Attachment C to this decision.

16. Applicant must submit an affiliate transaction report to the Director of the Communications Division at cdcompliance@cpuc.ca.gov, in compliance with D.93-02-019, on a calendar-year basis using the form contained in Attachment D.

17. Applicant must ensure that its employees comply with the provisions of Pub. Util. Code § 2889.5 regarding solicitation of customers.

18. Within 60 days of the effective date of this order, Applicant must comply with Pub. Util. Code § 708, Employee Identification Cards, and notify the Director of the Communications Division in writing of its compliance, by e-mail to cdcompliance@cpuc.ca.gov.

19. If Applicant is 90 days or more late in filing an annual report, or in remitting the surcharges and fee listed in #2 above, and has not received written permission from the Communications Division to submit or remit late, the Communications Division must prepare for Commission consideration a resolution that revokes Applicant's CPCN.

20. Applicant is exempt from Rule 3.1(b) of the Commission Rules of Practice and Procedure.

21. Applicant is exempt from Pub. Util. Code §§ 816-830.

22. If Applicant decides to discontinue service or file for bankruptcy, it must immediately notify the Communications Division's Bankruptcy Coordinator.

23. Applicant must send a copy of this decision to concerned local permitting agencies no later than 30 days from the date of this order.

(END OF ATTACHMENT B)

ATTACHMENT C**ANNUAL REPORT**

An original and a machine readable, copy using Microsoft Word or compatible format must be submitted to the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 3107, San Francisco, CA 94102-3298, no later than March 31st of the year following the calendar year for which the annual report is submitted.

Failure to submit this information on time may result in a penalty as provided for in Pub. Util. Code §§ 2107 and 2108.

Required information:

1. Exact legal name and U # of the reporting utility.
2. Address.
3. Name, title, address, and telephone number of the person to be contacted concerning the reported information.
4. Name and title of the officer having custody of the general books of account and the address of the office where such books are kept.
5. Type of organization (e.g., corporation, partnership, sole proprietorship, etc.).

If incorporated, specify:

- a. Date of filing articles of incorporation with the Secretary of State.
- b. State in which incorporated.
6. Number and date of the Commission decision granting the Certificate of Public Convenience and Necessity.
7. Date operations were begun.
8. Description of other business activities in which the utility is engaged.
9. List of all affiliated companies and their relationship to the utility. State if affiliate is a:
 - a. Regulated public utility.
 - b. Publicly held corporation.
10. Balance sheet as of December 31st of the year for which information is submitted.

11. Income statement for California operations for the calendar year for which information is submitted.
12. Cash Flow statement as of December 31st of the calendar year for which information is submitted, for California operations only.

For answers to any questions concerning this report, call (415) 703-2883.

(END OF ATTACHMENT C)

ATTACHMENT D**CALENDAR YEAR AFFILIATE TRANSACTION REPORT**

An original and a machine readable, copy using Microsoft Word and Excel, or compatible format must be submitted to the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 3107, San Francisco, CA 94102-3298, no later than May 1st of the year following the calendar year for which the annual report is submitted.

1. Each utility must list and provide the following information for each affiliated entity and regulated subsidiary that the utility had during the period covered by the Annual Affiliate Transaction Report.

- Form of organization (e.g., corporation, partnership, joint venture, strategic alliance, etc.);
- Brief description of business activities engaged in;
- Relationship to the utility (e.g., controlling corporation, subsidiary, regulated subsidiary, affiliate);
- Ownership of the utility (including type and percent ownership)
- Voting rights held by the utility and percent; and
- Corporate officers.

2. The utility must prepare and submit a corporate organization chart showing any and all corporate relationships between the utility and its affiliated entities and regulated subsidiaries in #1 above. The chart must have the controlling corporation (if any) at the top of the chart, the utility and any subsidiaries and/or affiliates of the controlling corporation in the middle levels of the chart, and all secondary subsidiaries and affiliates (e.g., a subsidiary that in turn is owned by another subsidiary and/or affiliate) in the lower levels. Any regulated subsidiary must be clearly noted.

3. For a utility that has individuals who are classified as “controlling corporations” of the competitive utility, the utility must only report under the requirements of #1 and #2 above any affiliated entity that either (a) is a public utility or (b) transacts any business with the utility filing the annual report excluding the provision of tariff services.

4. Each annual report must be signed by a corporate officer of the utility stating under penalty of perjury under the laws of the State of California (CCP 2015.5) that the annual report is complete and accurate with no material omissions.

5. Any required material that a utility is unable to provide must be reasonably described and the reasons the data cannot be obtained, as well as the efforts expended to obtain the information, must be set forth in the utility’s Annual Affiliate Transaction Report and verified in accordance with Section I-F of Decision 93-02-019.

6. Utilities that do not have affiliated entities must submit, in lieu of the annual transaction report, an annual statement to the Commission stating that the utility had no affiliated entities during the report period. This statement must be signed by a corporate officer of the utility, stating under penalty of perjury under the laws of the State of California (CCP 2015.5) that the annual report is complete and accurate with no material omissions.

(END OF ATTACHMENT D)